



THE STATE
of **ALASKA**

GOVERNOR SEAN PARNELL

**Department of Environmental
Conservation**

DIVISION OF WATER
Village Safe Water

555 Cordova Street
Anchorage, Alaska 99501
Main: 907.269.7502
Fax: 907.269.7509

9/10/2012

Adison Wetzel, Program Specialist
Denali Commission
510 L Street, Suite 410
Anchorage, AK 99501

Dear Ms Wetzel:

The purpose of this letter is to confirm our discussions of May 9, 2012, and July 13, 2012 with Mr. Bill Griffith, Manager of ADEC Facilities Programs, and Mr. Joel Neimeyer, Denali Commission Federal Co-Chair, regarding the Denali Commission funded project in Stevens Village and to provide you with an update on the project.

The remaining work under the project consists of erecting an insulated water storage tank, connecting the tank to the waterplant piping, and completing punch list items. At the same time, we are replacing a lift station using funds from the EPA Clean Water Act (CWA) and Indian Health Service (IHS).

Last week the Stevens Village IRA Council entered into a contract amendment with Summit Consulting Services, Inc. to provide construction management services to complete the project. Project superintendent George Thomas traveled to Stevens Village on Friday, September 7, to begin work. Attached is the schedule from the Summit contract which shows that construction of the water tank and waterplant improvements will be completed in October, with Operations and Maintenance Manuals completed in December 2012.

Also attached is the cost estimate of \$785,970, which is the cost to complete the project from here forward. Please note that this figure does not include charges from Cruz Construction Inc. for work completed in 2011 which were paid in July 2012; nor does it include the addition of 4 polyethylene tanks inside the building which was considered but not added to the scope of work. An estimate prepared on 6/22/12 for \$1,140,456 included these items as well as the cost to complete. Please note that these figures cover project costs only and do not include VSW agency costs.

Additional funding will be needed in order to complete the water tank and lift station. The ANTHC has identified \$580,000 from a cancelled project, and we expect that these funds will be provided to the Stevens Village Project within approximately one month under CPA 12-NW5.

Please let me know if you require additional information.

Sincerely,

A handwritten signature in cursive script that reads "Debra Addie".

Debra Addie, P.E.

Village Safe Water Engineer II

Cc

Bill Griffith, Facilities Programs Manager

Prashant K.C., VSW Engineer

Attachment #1

Schedule

The following describes the proposed schedule for the 2012 scope of work:

- Submit WTP Approval to Construct Request to ADEC.....Aug 1, 2012
- Estimated date to receive WTP ATC from ADEC.....Aug 24, 2012
- Submit Lift Station Approval to Construct Request to ADECAug 15, 2012
- Estimated date to receive Lift Station Approval to Construct from ADECSep 15, 2012
- Notice to Proceed.....Sep 5, 2012
- Commence Mobilization and ProcurementSep 5, 2012
- Mobilize Superintendent.....Sep 6, 2012
- Air freight material to Stevens VillageSep 6, 2012
- Water storage tank construction complete.....Oct 1, 2012
- WTP improvements complete.....Oct 20, 2012
- Lift station building complete.....Nov 1, 2012
- Lift station Mechanical/Electrical completeNov 30, 2012
- Submit draft O&M manual Dec 3, 2012
- Pre-final Inspection..... Dec 3, 2012
- Submit final O&M manual June 15, 2013
- Final Inspection.....July 1, 2013

**from Stevens Village – Summit Consulting Amendment #8
September 2012**

Attachment 2

Stevens Village, Alaska - Sanitation Improvements Project**Contract Amendment #8****CONSTRUCTION COST ESTIMATE - 2012**

Item #	Scope	Description	Quantity	Unit	Unit Cost	Extended Cost	NTP #1 Estimated Cost	NTP #2 Estimated Cost
1	F-GF	Gravel Foundations	60	cu. yd.	\$46	\$2,760	\$2,760	\$0
2	S-LS	Lift Station	1	ea.	\$287,476	\$287,476	\$39,959	\$247,517
3	W-WP	Water Treatment Plant & Washeteria	1	ea.	\$165,429	\$165,429	\$77,255	\$88,174
4	W-WT	Chlorine Contact Tank	14,500	gal.	\$3.59	\$52,059	\$20,823	\$31,235
5	M-UI	Utilities, Rent & Insurance				\$33,568	\$9,903	\$23,665
Subtotal:						\$541,292	\$150,701	\$390,591
CM Services:						\$173,226	\$58,248	\$114,978
10% Contingency:						\$71,452	\$20,895	\$50,557
Estimated Project Total:						\$785,970	\$229,844	\$556,126

Estimate Assumptions

- 1 Major work elements are limited to the Water Plant, WST and Lift Station.
- 2 Estimated costs are in 2012 dollars.
- 3 Construction will be accomplished during the 2012 work season.
- 4 Force account construction methods will be utilized.
- 5 One Lift Station facility will be constructed in a new location.
- 6 The existing Lift Station will be decommissioned and removed.
- 7 The remaining bolted steel indoor WST will not be demolished.
- 8 A new exterior WST has been procured, but needs to be erected and put in service.
- 9 Two new dryers were added to the existing facility in 2011.
- 10 All lagoon improvements were completed in 2011.
- 11 CM services are included in this estimate.

Encumbrance Details

Contract Amendment #8 - Construction Management Fees				
Scope	Description	Allocated Cost	NTP #1 Estimated Cost	NTP #2 Estimated Cost
F-GF	Gravel Foundations	\$996	\$996	\$0
S-LS	Lift Station	\$102,743	\$5,137	\$97,606
W-WP	Water Treatment Plant & Washeteria	\$52,700	\$39,525	\$13,175
W-WP	Chlorine Contact Tank	\$16,787	\$12,590	\$4,197
Total:		\$173,226	\$58,248	\$114,978

Contract Amendment #8 - Force Account Labor				
Scope	Description	Allocated Cost	NTP #1 Estimated Cost	NTP #2 Estimated Cost
F-GF	Gravel Foundations	\$2,446	\$2,446	
S-LS	Lift Station	\$155,687	\$11,677	\$144,010
W-WP	Water Treatment Plant & Washeteria	\$84,481	\$25,344	\$59,137
W-WP	Chlorine Contact Tank	\$45,601	\$13,680	\$31,921
Total:		\$288,215	\$53,147	\$235,068